

## **Draft General Fund Ten-Year Plan Review - Assumptions Council Budget & Finance Committee February 26, 2014**

### **Current Revenue Assumptions/Adjustments**

- ❑ Property Tax: +5.3% in FY 2014 (+3M) over FY 2013 Actuals, +3.5% in FY 2015+
- ❑ Sales Tax: No change from previous assumptions
- ❑ Utility Users Tax is re-authorized by the voters in 2018 – 0% growth
- ❑ Property Transfer Tax: 11% increase in FY 2014 (+\$500K), 3.5% in FY 2015+
- ❑ TOT: 16% increase in FY 2014 (\$240K); 2% FY 2015+

Total FY 2014 projected revenue increase of \$3.8M over Adopted.

### **Current Expenditure Assumptions/Adjustments**

- ❑ No across-the-board wage increases for all units for 5 years
- ❑ All current labor concessions carry forward as ongoing, structural change
- ❑ Additional labor concessions bring all units to the 17% target
- ❑ Updated CalPERS rates from November 2013 valuation & new rate increases effective FY 2016 and FY 2017
- ❑ Reduced vacancy savings assumptions based on filling of vacant positions and less flexibility in the organization to carry vacancies: FY 2014 down to \$1M and FY 2015+ down to \$750K
- ❑ Funds debt service for Fire Station #7 rehabilitation project
- ❑ Funds vehicle replacement fund
- ❑ Effective FY 2014 full annual allocation of City's Retiree Medical (OPEB) required annual contribution (ARC) of \$4 million/year

Total FY 2014 projected expenditure increase of \$3.9M over Adopted.

- ❑ Does not include...
  - Unfunded CIP need (e.g., 1% = \$5.1M)
  - Restoring staffing resources to prior levels (e.g., 9 police officers = \$1.7M)